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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/488,297	01/20/2000	Michael A. Keresman III	PRA 2 0001	4241
7590	12/14/2006		EXAMINER AKINTOLA, OLABODE	
John P Cornely Fay Sharpe Fagan Minnich & McKee LLP Seventh Floor 1100 Superior Avenue Cleveland, OH 44114-2518			ART UNIT 3691	PAPER NUMBER

DATE MAILED: 12/14/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)
	09/488,297	KERESMAN III ET AL.
	Examiner	Art Unit
	Olabode Akintola	3691

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) Responsive to communication(s) filed on 03 January 2006.
- 2a) This action is **FINAL**. 2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) Claim(s) 23,24,26-36 and 38-42 is/are pending in the application.
 - 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) Claim(s) _____ is/are allowed.
- 6) Claim(s) 23,24,26-36 and 38-42 is/are rejected.
- 7) Claim(s) _____ is/are objected to.
- 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 - a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413)
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	Paper No(s)/Mail Date. _____
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)	5) <input type="checkbox"/> Notice of Informal Patent Application
Paper No(s)/Mail Date. _____	6) <input type="checkbox"/> Other: _____

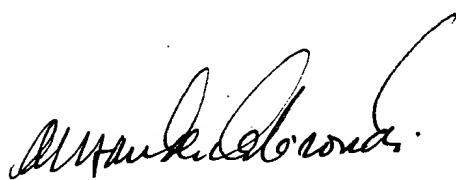
In view of the appeal brief filed on 01/03/2006, PROSECUTION IS HEREBY REOPENED. New grounds of rejection are set forth below.

To avoid abandonment of the application, appellant must exercise one of the following options:

(1) File a reply under 37 CFR 1.111 (if this office action is non-final) or a reply under 37 CFR 1.113 (if this office action is final); or,

(2) Initiate a new appeal by filing a notice of appeal under 37 CFR 41.31 followed by an appeal brief under 37 CFR 41.37. The previously paid notice of appeal fees and appeal brief fee can be applied to the new appeal. If, however, the appeal fees set forth in the 37 CFR 41.20 have been increased since they were previously paid, then the appellant must pay the difference between the increased fees and the amount previously paid.

A Supervisory Patent Examiner (SPE) has approved of reopening prosecution by signing below:



Alexandria Kalinowski

SPE

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DETAILED ACTION

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claims 23, 31, 36, 39, 41 and 42 are rejected under 35 U.S.C. 103(a) as being unpatentable over Demoff et al (US 6456984) ("Demoff") in view of Talati et al (US 5903878) ("Talati").

Re claims 23, 31, 36, 39, 41 and 42: Demoff teaches method and corresponding system for processing a transaction carried out over a network between a financial account holder and a participating entity, said method comprising the steps of: authenticating the buyer as the financial account holder (col. 6, lines 7-10); establishing transaction fulfillment data, said transaction fulfillment data indicating a delivery destination for the selected items, wherein establishing the

transaction fulfillment data includes using a previously obtained destination as the delivery destination for the selected items when an alternate destination is not obtained (col. 4, lines 1-15, col. 5, lines 23-32); communicating the transaction fulfillment data to the participating entity (col. 5, lines 23-32); receiving transaction details from the participating entity, said transaction details including a cost for the selected items (col. 2, lines 14-15); authorizing completion of the transaction and establishing an authorization code therefor (col. 6, lines 59-63); and, communicating the authorization code for the transaction to the participating entity (col. 7, lines 22-33).

Demoff does not explicitly teach receiving a purchase request of the buyer from the seller; transmitting transaction details of the authenticated account holder directly to a funding source which determines if the account holder has one of sufficient funds or sufficient credit available to cover the cost of purchase (claim 31). Talati teaches receiving a purchase request of the buyer from the seller (Abstract, Col. 4, lines 66 – col. 7, lines 3, Fig. 1); transmitting transaction details of the authenticated account holder directly to a funding source which determines if the account holder has one of sufficient funds or sufficient credit available to cover the cost of purchase (col. 7, lines 24-44). It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Demoff to include these steps as taught by Talati in order to allow the administrator to authenticate the buyer by confirming that the order originated from the purchaser and to ensure fund availability.

Claim 24 is rejected under 35 U.S.C. 103(a) as being unpatentable over Demoff in view of Talati as applied to claim 23 above, and further in view of Barzilai et al (US 6012045) (“Barzilai”).

Re claim 24: Demoff does not explicitly teach obtaining an alternate destination from the buyer, said alternate destination being different from the previously obtained destination; transmitting a security question to the buyer; receiving a response to the security question from the buyer; and using the alternate destination as the delivery destination of the items when the response to the security question is accurate. Barzilai teaches obtaining an alternate destination from the buyer, said alternate destination being different from the previously obtained destination; transmitting a security question to the buyer; receiving a response to the security question from the buyer; and using the alternate destination as the delivery destination of the items when the response to the security question is accurate (col. 8, lines 2-19). It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Demoff to include this step as taught by Barzilai in order to confirm the validity of the buyer if the buyer seeks to provide an alternate address.

Claims 26-30 and 38 are rejected under 35 U.S.C. 103(a) as being unpatentable over Demoff in view of Talati as applied to claim 23 above, and further in view of Watson et al (US 6226624) (“Watson”).

Re claims 26-30 and 38: Demoff and Talati teach all the limitations of claim 26, except the step of obtaining restriction instructions from account holders. Watson teaches obtaining restriction

instructions from account holders (Abstract, col. 16, lines 59-63, col. 7, lines 9-20). It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Demoff to include this step as taught by Watson in order to minimize fraudulent or unauthorized use of the account.

Claims 32-34 and 40 are rejected under 35 U.S.C. 103(a) as being unpatentable over Demoff in view of Talati as applied to claim 31 above, in view of Hogan (US 6315193) ("Hogan") and further in view of Guzelsu (US 6381587) ("Guzelsu").

Re claims 32-34 and 38: Demoff and Talati do not explicitly teach obtaining settlement information from the participating entity, said settlement information including the authorization code and transaction details for the completed transaction; automatically capturing the settlement information from the participating entity upon an indication of the delivery of the selected items; and confirming that the transaction details corresponding to the authorization code received with the settlement information are within a desired tolerance.

Hogan teaches obtaining settlement information from the participating entity, said settlement information including the authorization code and transaction details for the completed transaction; automatically capturing the settlement information from the participating entity upon an indication of the delivery of the selected items (col. 5, lines 6-25). It would have been obvious to one of ordinary skill in the art at the time of the invention to include these steps as taught by Hogan. One would have been motivated to do so in order to ensure that the appropriate items are delivered to the buyer so that the merchant can be paid and the buyer billed accordingly.

Guzelsu teaches confirming that the transaction details corresponding to the authorization code received with the settlement information are within a desired tolerance (col. 9, lines 44-56, Fig. 9). It would have been obvious to one of ordinary skill in the art at the time of the invention to include these steps as taught by Guzelsu. One would have been motivated to do so in order to ensure that the reconciliation is within acceptable tolerance to confirm a correct match.

Claim 35 is rejected under 35 U.S.C. 103(a) as being unpatentable over Demoff in view of Talati in view of Hogan in view of Guzelsu as applied to claim 32 above, and further in view of Weiss (US 5657388) (“Weiss”).

Re claim 35: Demoff does not explicitly teach authenticating including synchronizing a token with a periodically changing non-predictable code, providing the account holder with the token, the token displaying the periodically changing non-predictable code, receiving a code communicated by the buyer, and comparing the received code with the periodically changing non-predictable code to authenticate the buyer as the account holder when the received code matches the periodically changing non-predictable code. Weiss teaches authenticating including synchronizing a token with a periodically changing non-predictable code (col. 1, line 58 - col. 2, line 17), providing the account holder with the token, the token displaying the periodically changing non-predictable code (col. 1, line 58 - col. 2, line 17), receiving a code communicated by the buyer (col. 1, line 58 - col. 2, line 17), and comparing the received code with the periodically changing non-predictable code to authenticate the buyer as the account holder when the received code matches the periodically changing non-predictable code (col. 1, line 58

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through col. 2, line 17). It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Demoff to include these steps as taught by Weiss. One would have been motivated to do so in order to make the overall system more secure and therefore less prone to fraud and deceit.

Conclusion

Examiner's Note: Examiner has cited particular portions of the references as applied to the claims above for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested that the applicant, in preparing the responses, fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Sandberg-Diment teaches verification information for transaction using approval code and transaction details (col. 3, lines 55-67).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Olabode Akintola whose telephone number is 571-272-3629. The examiner can normally be reached on M-F 8:30AM -5:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on 571-272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

OA



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